ARTICLES OF INCORPORATION

OF

eCITYGOV ALLIANCE

The undersigned, in order to form a not for profit corporation under Chapter 24.06 of the Revised Code of Washington ("RCW"), and pursuant to Chapter 39.34 RCW, hereby sign and deliver the following Articles of Incorporation:

ARTICLE I — NAME

The name of this corporation is:

eCITYGOV ALLIANCE

ARTICLE II — DURATION

The period of duration of the eCITYGOV Alliance (the "ALLIANCE") is perpetual.

ARTICLE III — PURPOSES

ALLIANCE is organized on behalf of and as an instrumentality of its governmental members to carry out certain exclusively governmental activities and the purposes of the Amended and Restated Interlocal Agreement Establishing eCityGov Alliance (the "Interlocal Agreement") pursuant to the Interlocal Cooperation Act, Chapter 39.34 RCW. These purposes include developing, owning, operating and managing and maintaining online public service programs and services as further described in the Interlocal Agreement.

ARTICLE IV — PROHIBITED ACTIVITY

Notwithstanding any of the provisions of these Articles of Incorporation, the ALLIANCE shall not conduct or carry on activities not permitted to be conducted or carried on by an organization exempt from federal income tax under Sections 115 of the Internal Revenue Code or by an organization, contributions to which are deductible under Section 170(c)(2). No part of the net earnings of the ALLIANCE shall inure to the benefit of any director, officer or private individual. No substantial part of the activities of the ALLIANCE shall be devoted to the carrying on of propaganda, or otherwise attempting to influence legislation except as may be permitted by the Internal Revenue Code, and the ALLIANCE shall not participate in, or intervene in (including the publication or distribution of statements regarding) any political campaign on behalf of or in opposition to any candidate for public office. The ALLIANCE shall not have or issue shares of stock, shall not make any disbursement of income to its directors or officers, and shall not make loans to its officers or directors.

ARTICLE V — POWERS

In general, and subject to such limitations and conditions as are or may be prescribed by law, or in these Articles of Incorporation or in the ALLIANCE'S Bylaws or in the Interlocal Agreement, the ALLIANCE shall have all powers which now or hereafter are conferred under Chapters 24.06 and 39.34 RCW and other applicable law upon a corporation organized for the

purposes set forth above, or are necessary or incidental to the powers so conferred, or are conducive to the attainment of the ALLIANCE's purposes.

ARTICLE VI — MEMBERS

Each Member of ALLIANCE must be a municipal corporation formed and existing under the laws of the state of Washington and meeting the other requirements described in the Interlocal Agreement. As used in these Articles, the term "Members" means "Principals" as defined in the Interlocal Agreement. The rights and responsibilities of the Members/Principals and the manner of their election, appointment, or admission to membership and termination of membership shall be as provided for in the Interlocal Agreement. The ALLIANCE shall have one class of Members/Principals, except that each Member/Principal may be treated as a separate class for calculating votes as provided for in the Interlocal Agreement.

ARTICLE VII — DISTRIBUTIONS UPON DISSOLUTION

No director, trustee or officer of the ALLIANCE, nor any private individual, shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the ALLIANCE or the winding up of its affairs. Upon dissolution of the ALLIANCE, after paying, satisfying, and discharging, or making adequate provision therefor, of all liabilities and obligations of the ALLIANCE, and after returning, transferring, or conveying assets held by the ALLIANCE requiring return, transfer, or conveyance on condition of the dissolution, all remaining assets of the ALLIANCE shall be distributed by the Executive Board as provided for in the Interlocal Agreement.

ARTICLE VIII — DISSENTING MEMBERS

"Dissenting members," as that term is used in RCW 24.06.245 through 255, will be entitled to the rights and allocation of assets set forth in the Interlocal Agreement, but may be limited to "a return of less than the fair value" of their membership as that term is used in RCW 24.06.255.

ARTICLE IX — BYLAWS

Provisions for the regulation of the internal affairs of the ALLIANCE shall be set forth in the Bylaws of the ALLIANCE.

ARTICLE X — REGISTERED AGENT

The address of the initial registered office of the ALLIANCE is eCityGov Alliance, c/o City of Bellevue 450 100th Avenue, Bellevue WA 98004. The name and address of its initial registered agent is the City Clerk (or his/her designee), City of Bellevue, 450 110th Avenue N.E., Bellevue, WA 98004.

ARTICLE XI — DIRECTORS

The initial board of directors (referred to in the Interlocal Agreement as the "Executive Board") shall consist of eight (8) directors. The names and addresses of the persons who are to serve as initial directors are:

Brad Miyake, Interim City Manager
City of Bellevue
450 110th Avenue N.E.
Bellevue, WA 98004

Bob Stowe, City Manager
City of Bothell
18304 101st Avenue N.E.
Bothell, WA 98011

Bob Harrison, City Administrator
City of Issaquah
130 E. Sunset Way
Issaquah, WA 98027

Nancy Ousley, Assistant City Manager
City of Kenmore
18120 68th Ave. N.E.
Kenmore, WA 98028

Kurt Triplett, City Manager
City of Kirkland
123 Fifth Avenue
Kirkland, WA 98033-6189

Noel Treat, City Manager
City of Mercer Island
9611 S.E. 36th St.
Mercer Island, WA 98040

Lyman Howard, Deputy City Manager
City of Sammamish
801 228th Avenue. S.E.
Sammamish, WA 98075

Bob Larson, City Administrator
City of Snoqualmie
38624 S.E. River St.
Snoqualmie, WA 98065

Directors may be removed as provided for in the Bylaws.

ARTICLE XII -- OFFICERS

The ALLIANCE shall have four officers, a President, Vice-President, Secretary and Treasurer. The President and Vice-President are referred to as the "Chair" and "Vice-Chair" respectively, in the Interlocal Agreement. The responsibilities of the officers shall be described in the ALLIANCE Bylaws.

ARTICLE XIII — INCORPORATORS

The names and addresses of the incorporators are:

1. City of Bellevue
   450 110th Avenue N.E.
   Bellevue, WA 98004

2. City of Bothell
   18304 101st Avenue N.E.
   Bothell, WA 98011

3. City of Issaquah
   130 E. Sunset Way
   Issaquah, WA 98027

4. City of Kenmore
   18120 68th Ave. N.E.
   Kenmore, WA 98028

5. City of Kirkland
   123 Fifth Avenue
   Kirkland, WA 98033-6189

6. City of Mercer Island
   9611 S.E. 36th St.
   Mercer Island, WA 98040

7. City of Sammamish
   801 228th Avenue. S.E.
   Sammamish, WA 98075

8. City of Snoqualmie
   38624 S.E. River St.
   Snoqualmie, WA 98065

ARTICLE XIV — LIMITATION OF DIRECTOR LIABILITY

Except to the extent otherwise required by applicable law (as it exists on the date of the adoption of this Article or may be amended from time to time), a director of the ALLIANCE (a director is referred to as a "Member of the Executive Board" in the Interlocal Agreement) shall not be personally liable to the ALLIANCE for monetary damages for conduct as a director, except for liability of the director (i) for acts or omissions which involve intentional misconduct

by the director or a knowing violation of law by the director, (ii) for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled, or (iii) for any act or omission occurring before the date when this provision becomes effective.

If the Washington Nonprofit Miscellaneous and Mutual Corporation Act (the "Act") is hereafter amended to expand or increase the power of the ALLIANCE to eliminate or limit the personal liability of directors, then, without any further requirement of action by the directors of the ALLIANCE, the liability of a director shall be eliminated or limited to the full extent permitted by the Act. No amendment to or repeal of this Article shall adversely affect any right of protection of any director of the ALLIANCE occurring after the date of the adoption of this Article and prior to such amendment or repeal.

ARTICLE XV — INDEMNIFICATION

Except as provided in Article XIV, the ALLIANCE shall indemnify any director and officer of the ALLIANCE who is involved in any capacity in a proceeding (as defined in RCW 23B.08.500, as presently in effect and as hereafter amended) by reason of the position held by such person or entity in the ALLIANCE to the full extent allowed by law, as presently in effect and as hereafter amended. By means of a resolution or of a contract specifically approved by the Board of Directors (referred to as the "Executive Board" in the Interlocal Agreement), the ALLIANCE may also indemnify an employee, or agent to such degree as the Board of Directors determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the ALLIANCE. Reasonable expenses incurred by a director or officer who is involved in any capacity in a proceeding by reason of the position held in the ALLIANCE, shall be advanced by the ALLIANCE to the full extent allowed by and on the conditions required by applicable law, as presently in effect and as hereafter amended.

The Board of Directors of the ALLIANCE shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense. The rights conferred by or pursuant to this Article shall not be exclusive of any other rights that any person may have or acquire under any applicable law (as presently in effect and as hereafter amended), these Articles of Incorporation, the bylaws of the ALLIANCE, a vote of the Board of Directors of the ALLIANCE, or otherwise. No amendment to or repeal of this Article shall adversely affect any right of any director, officer, employee, or agent for events occurring after the date of the adoption of this Article and prior to such amendment or repeal.

The ALLIANCE shall also indemnify and hold harmless every Member/Principal, including, but not limited to that Member's/Principal's officers, directors, employees and agents from all claims, injuries, damages, losses or suits, including reasonable attorney fees and costs which arise out of acts and/or omissions of the ALLIANCE. To such degree as the board of directors/Executive Board determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of the ALLIANCE, the ALLIANCE may also indemnify and hold harmless Subscribers, including, but not limited to that Subscriber's officers, directors, employees and agents from all claims, injuries damages, losses or suits, including reasonable attorney fees which arise out of acts and/or omissions of the ALLIANCE.

Nothing in these Articles of Incorporation may be interpreted as a waiver of sovereign immunity by any member.

Indemnification of directors and officers by the ALLIANCE shall be consistent with the terms of the Interlocal Agreement, the Act, the Interlocal Cooperation Act and other applicable law. In the event of any inconsistency between this Article and the Interlocal Agreement, the terms of the Interlocal Agreement shall control to the extent consistent with applicable law.

Notwithstanding any other provision of this Article, no indemnification shall be provided to any person if in the reasonable opinion of competent counsel, payment of such

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indemnification would cause the ALLIANCE to lose its exemption from federal income taxation.

DATED as of this 1st day of March, 2014.

INCORPORATORS:

INCORPORATOR: City of Bellevue

By: Brad Miyake, Interim City Manager

INCORPORATOR: City of Bothell

By: Bob Stowe, City Manager

INCORPORATOR: City Issaquah

By: Fred Butler, Mayor

INCORPORATOR: City of Kenmore

By: Rob Karlinsey City Manager

INCORPORATOR: City of Kirkland

By: Kurt Triplett, City Manager

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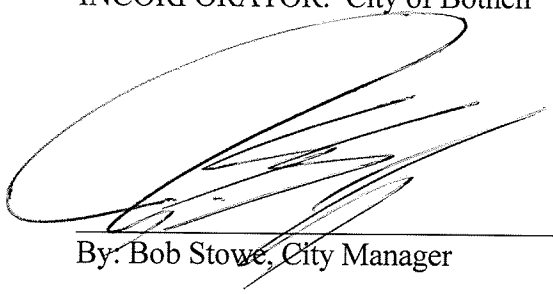

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By: Noel Treat, City Manager

Notwithstanding any other provision of this Article, no indemnification shall be provided to any person if in the reasonable opinion of competent counsel, payment of such indemnification would cause the ALLIANCE to lose its exemption from federal income taxation.

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By: Ben Yazici, City Manager

INCORPORATOR: City of Snoqualmie

By: Matthew R. Larson, Mayor

AMENDED AND RESTATED INTERLOCAL AGREEMENT ESTABLISHING ECITYGOV ALLIANCE

Version dated 1.24.14

AMENDED AND RESTATED INTERLOCAL AGREEMENT
ESTABLISHING ECITYGOV ALLIANCE

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AMENDED AND RESTATED INTERLOCAL AGREEMENT
ESTABLISHING ECITYGOV ALLIANCE

THIS AGREEMENT, incorporating all exhibits hereto, is entered into as of March 1, 2014, by and between the municipal corporations organized under the laws of the State of Washington which are parties signatory to this Agreement (hereinafter referred to as the "Principals"), pursuant to the Interlocal Cooperation Act Ch. 39.34 RCW and has been authorized by the legislative body of each Principal.

RECITALS

WHEREAS, each of the Principals is a party to the Interlocal Agreement establishing eCityGov Alliance, originally executed in 2002, and later amended in 2005, 2007 and 2009 (collectively, the "Original Agreement"); and

WHEREAS, the eCityGov Alliance was formed to provide for the joint development, oversight and delivery of regionally coordinated online public sector services; and

WHEREAS, the Principals wish to strengthen and modify the governance and corporate structure of the Alliance and update other provisions of the Original Agreement, while ensuring the Alliance maintains all its current rights and responsibilities except as modified herein; and

WHEREAS, the Original Agreement established the Alliance as a joint board and stated the intent of the Alliance to be formed as a separate legal entity; and

WHEREAS, the creation of an intergovernmental entity and joint instrumentality in the form of a governmental nonprofit corporation whose members are Principals will enable each Principal to participate in the joint oversight and management of programs and services offered by the Alliance, will enable each Principal's use of these programs and services, provide economies of scale, create a mechanism for cross-agency collaboration, and provide more seamless public access to member agency services; and

WHEREAS, it is anticipated that additional government agencies will elect to join the Alliance over time, and that some may wish to do so as subscribers to the Alliance's services rather than as Principals; and

WHEREAS, this agreement is authorized by the Interlocal Cooperation Act and Nonprofit Corporation Act set forth in chapters 39.34 and 24.06, respectively, of the Revised Code of Washington;

NOW THEREFORE, in consideration of the promises and agreements contained in this Agreement and subject to the terms and conditions set forth, it is mutually understood and agreed by the parties as follows:

SECTION 1. REORGANIZATION OF ECITYGOV ALLIANCE AS A NONPROFIT CORPORATION.

The eCityGov Alliance ("Alliance") is reorganized as a nonprofit corporation under Chapter 24.06 RCW as authorized by the Interlocal Cooperation Act (Ch. 39.34 RCW), and as so reorganized the Alliance shall continue to have all rights and responsibilities assigned it by the Principals as contemplated and accomplished pursuant to the Original Agreement, including but not limited to the responsibility for developing, owning, operating and managing the Alliance programs and services on behalf of the Principals and its Subscribers. Nothing herein shall be deemed to prevent the Alliance from any further reorganization permitted by applicable law, including without limitation conversion to a municipal corporation.

SECTION 2. TERM OF AGREEMENT; REPLACEMENT OF ORIGINAL AGREEMENT.

This Agreement shall be of perpetual duration, subject to termination provisions contained herein. From and after its effective date, this Agreement replaces the Original Agreement which shall be of no further force or effect.

SECTION 3. DEFINITIONS.

a. Agreement. The "Agreement" is this interlocal agreement, as it may hereafter be amended or modified, together with all exhibits and appendices hereto, as they may hereafter be amended or modified.

b. Alliance. The "Alliance" is the eCityGov Alliance, restructured per this Agreement as a nonprofit corporation owned and governed by its member Principals.

c. Articles of Incorporation. The "Articles of Incorporation" or "Articles" are terms defining aspects of the Alliance corporate formation under RCW 39.34.030(3)(b) and consistent with RCW 24.06.025, as they may hereafter be amended by the Executive Board.

d. Board Member. A "Board Member" or "Executive Board Member" is the individual representing a Principal on the Executive Board or his/her designated alternate, and also includes any individual appointed to represent a Subscriber or Subscribers as a non-voting *ex officio* Board Member.

e. Bylaws. The "Bylaws" as adopted and amended from time to time by the Executive Board shall govern the operations of the Alliance Executive Board, Operations Board, and the officers thereof.

f. Executive Board. The "Executive Board" is the body described in Section 8 and shall be the governing body of the Alliance.

g. Executive Director. The "Executive Director" is the chief operating officer for the Alliance appointed by and serving at the pleasure of the Executive Board.

h. Fiscal Agent. The "Fiscal Agent" refers to that agency or government that holds and manages the Alliance's funds, and performs accounting and other services for the Alliance as required per separate contract between the Fiscal Agent and the Alliance, and in accordance with the requirements of Chapter 39.34 RCW.

i. Operations Board. The "Operations Board" is the committee described in Section 9.

j. Original Agreement. The "Original Agreement" is the Interlocal Agreement establishing the eCityGov Alliance, originally executed in 2002, and later amended in 2005, 2007 and 2009. The Cities of Bellevue, Bothell, Issaquah, Kenmore, Kirkland, Mercer Island, Snoqualmie, Sammamish and Woodinville remain party to the Original Agreement as of January 1, 2014.

k. Operations Policy. The "Operations Policy" is a separate document adopted by the Executive Board, as it may be amended from time to time, which describes how data will be shared between the Participants and the Alliance, and sets forth operating procedures and rules for the Alliance Programs and Services.

l. Participants. All Principals, and all Subscribers, as they may be so constituted from time to time, are collectively referred to as the "Participants," and individually referred to as a "Participant."

m. Population. "Population" is the residential population of a Principal, according to the most recent annual report issued by the State Office of Financial Management determining the population of each city for purposes of taxation and allocation of certain state shared revenues in the following calendar year, or, for Principals who are not cities, such other official federal or state agency report that the Board determines provides sufficiently equivalent information.

n. Programs and Services. The "Programs and Services" are online public programs and services operated or sponsored by the Alliance. As of the date of this Agreement, the Programs and Services are those described in Exhibit A. Programs and Services offered by the Alliance may be expanded as described in Section 6.d.

o. Principal. A "Principal" is a municipal corporation formed under the laws of the state of Washington which has accepted the terms of and is a party to this Agreement and has paid its share of initial costs as may be required by the Executive Board as a condition to becoming a Principal. Principals shall receive access to all Programs and Services offered by the Alliance, according to such terms and conditions as may be established by the Executive Board.

p. Program Committee. A "Program Committee" is a team of staff from Participant agencies tasked with developing proposals for, and assisting in the implementation of, Program Work Plans, under the guidance and direction of the Executive Director.

q. Program Work Plan. A "Program Work Plan" is a document describing the goals, staffing, milestones, budget and task list to accomplish a specified Program or Service within a specified period (typically a budget period). Program Work Plans shall be approved by the Executive Board per Section 7.n.

r. Representative. The term "Representative" refers to the individual representing a Principal or a Subscriber on the Operations Board, or his/her designated alternate.

s. Simple Majority Vote. A "Simple Majority Vote" of the Executive Board means the affirmative vote of a majority (more than 50%) of the votes present and voting, calculated by both Weighted Votes present and by number of the Executive Board Members present.

t. Subscriber. A "Subscriber" is a municipal corporation formed under the laws of Washington, or another corporation or entity which has agreed to pay the Alliance for services according to such terms and conditions as may be established by the Executive Board and evidenced by separate contract between the Alliance and such entity. A Principal may convert or be converted to Subscriber status as provided in Sections 10,13.d and 13.i, and a Subscriber that is formed as a municipal corporation under the laws of the state of Washington may convert to a Principal as described in Section 10.

u. Supermajority Vote. A "Supermajority Vote" means the affirmative vote of not less than sixty-six percent (66%) of the total Weighted Votes of the Executive Board, and not less than sixty-six percent (66%) of the total number of the Executive Board Members.

v. Weighted Vote. A "Weighted Vote" means a vote in which the vote of each Board Member representing a Principal is counted according to the proportional Population of each Principal in relationship to the total Population of all Principals.

SECTION 4. GUIDING PRINCIPLES.

It shall be the policy of the Alliance to adhere to the following principles to the best of its abilities and as is reasonably practical for the purposes of managing and operating the Alliance:

a. Cost sharing is equitable;

b. Risk is shared;

c. Mission is not diluted;

d. Focus is on providing strong and effective products;

e. Roles and responsibilities are clearly defined;

f. Benefit is clear and direct to Participants;

g. Control and flexibility is retained by Participants;

h. Business drives technology;

i. Decision making is transparent and efficient;

j. Innovation is supported; and

k. Effectiveness and efficiency of programs and services is periodically confirmed by Executive Board review and consideration of options.

SECTION 5. PURPOSES OF ALLIANCE.

The Alliance shall have the following purposes:

a. Create regionally coordinated portal(s) for the delivery of public sector services via the Internet.

b. Provide citizens and businesses a variety of services and information in a manner that is coordinated among participating jurisdictions, and efficiently integrated with internal operations.

c. Provide a forum for the sharing of resources in the development and deployment of future public sector services, forging partnerships with other public and private entities that seek to enhance services, information and business process, and create a mechanism for cross-boundary staff collaboration, training, and work coordination for Alliance services and products.

d. Create economies of scale among Participants, by coordinating and cooperating in joint purchasing, application development and other projects, from which Alliance Participants benefit.

SECTION 6. ALLIANCE SERVICES.

a. Generally. The Alliance has the responsibility to develop, own, operate, maintain, acquire and manage such Programs and Services as are currently provided by the Alliance, further described in Exhibit A and for managing the operations of the Alliance. It is expressly contemplated that this scope of services includes:

i. The implementation, operation and maintenance of replacement or upgrades of the Alliance Programs and Services as necessary or appropriate.
ii. The development and adoption of rules for access, use and maintenance of the Alliance by Participants and other users of Programs and Services.
iii. Any additional online public service Programs and Services as may be approved per Section 6.d.
iv. Other responsibilities reasonably necessary for the development, operation and maintenance of the Alliance.
v. Other related or ancillary services.

b. The Alliance is authorized to create and maintain a cooperative purchasing process, including but not limited to the creation of a small works roster and shared procurement portal. For so long as the Alliance maintains these operations, the Alliance shall be the lead agency for purposes of complying with the requirements of RCW 39.04.155, as it now exists or as hereafter amended and as authorized by RCW 39.34.030, as it exists now or as hereafter amended.

c. Limitation on Authority. The Alliance shall have no authority to set local policies, rates or charges, or take audit or enforcement action on behalf of any Participant.

d. Expansion of Scope of Services. As of the effective date of this Agreement, the Alliance offers those Programs and Services as described on Exhibit A. The Alliance may provide additional online public service Programs or Services only upon approval of a Supermajority Vote of the Executive Board.

e. Operating Policies and Rules for Use of Portal. In order to protect sensitive or confidential data, and assure the relationship between the Alliance and Participants remains fully functional and secure, the Executive Board shall adopt an Operations Policy. It is understood and agreed that the access and use of Alliance Programs and Services by any Principal or Subscriber is conditioned on that party's compliance with the Operations Policy. The Operations Policy will be regularly reviewed and updated by the Executive Board as necessary or appropriate.

f. Access by Principals to all Programs and Services. All Principals shall be entitled to use all Alliance Programs and Services, subject to the Principals compliance with the Operations Policy.

g. Requirement of Principals Use of Alliance Programs and Services. No Principal is required to use or deploy any Program or Service offered by the Alliance. Nothing in this Agreement shall be interpreted to preclude a Participant from using or deploying competing services or program similar in functionality to Alliance Programs and Services.

SECTION 7. ALLIANCE POWERS.

Through its Executive Board, the Alliance shall have all powers allowed by law for interlocal agencies created under RCW 39.34.030 and Chapter 24.06 RCW, as they now exist or may hereafter be amended, and as authorized, amended, or removed by the Executive Board, as provided for in this Agreement, and including but not limited to the following:

a. Recommend action to the legislative bodies of the Principals and to Subscribers;

b. Review and adopt budgets for the Alliance, and approve budget expenditures;

c. Establish policies for cost allocation and expenditures of budget items for the Alliance;

d. Review and adopt a personnel policy for the Alliance (if applicable);

e. Review and approve operating policies for the Alliance, its Programs and Services;

f. Establish a fund or special fund or funds as authorized by RCW 39.34.030 for the operation of the Alliance;

g. Conduct regular and special meetings as may be designated by the Executive Board consistent with the state Open Public Meetings Act (Ch. 42.30 RCW) as now or hereafter amended;

h. Maintain and manage records in accordance with the state Public Records Act (Ch. 42.56 RCW) as now or hereafter amended, and other applicable state and federal laws and regulations;

i. Determine what Programs and Services shall be offered through the Alliance and under what terms they shall be offered, consistent with Section 6;

j. Retain and terminate an Executive Director;

k. Appoint and terminate a Fiscal Agent to hold and manage the Alliance's funds;

l. Direct the Operations Board, to review and make recommendations and carry out such functions and responsibilities as the Board may expressly provide, or create new committees for such purposes;

m. Approve strategic plans;

n. Approve Program Work Plans and receive periodic briefings on progress in implementing same;

o. Approve the addition of new Principals and new Subscribers and the terms of their participation in the Alliance and receipt of Alliance Programs and Services;

p. Enter into agreements with third parties for goods and services necessary to fully implement the purposes of this Agreement;

q. Establish fees and charges for services provided to Participants or other parties, including but not limited to users of Alliance Programs and Services;

r. Direct and supervise the activities of any committee and any advisory board established by the Executive Board and the Executive Director;

s. Hear and resolve disputes between Participants and resolve change management issues that are not resolved at the Operations Board;

t. Accept loans or grants of funds from any federal, state, local or private agencies and receive and distribute such funds;

u. Receive all funds allocated to the Alliance by Participants;

v. Purchase, take, receive, lease, take by gift, or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, in the name of Alliance;

w. Sell, convey, lease, exchange, transfer, and otherwise dispose of all of its property and assets;

x. Sue and be sued, complain and defend, in all courts of competent jurisdiction in Alliance's name;

y. Make and alter bylaws for the administration and regulation of its affairs; and

z. Any and all other lawful acts necessary to further the Alliance's goals and purposes; and

aa. Except as expressly provided above, the Alliance shall not have the power or authority to issue debt in its own name.

The Alliance, as a joint instrumentality of its municipal corporation members under Chapter 39.34 RCW, shall have no powers or authority that is not held by Washington cities.

SECTION 8. EXECUTIVE BOARD: COMPOSITION AND OPERATION.

a. Composition. The Executive Board shall be composed of one (1) Board Member from each Principal. Such representatives are referred to as a Board Member or Executive Board Member. The Executive Board may, by Supermajority Vote, add one or more non-voting *ex officio* Board Members to represent a Subscriber or Subscribers.

b. Powers. The Executive Board shall have final decision making authority upon all policy issues and shall exercise the powers described in Section 7. The Executive Board may delegate responsibility for execution of Executive Board policies and directives and for day-to-day operational decision-making to the Executive Director, including the hiring and supervision of additional staff positions authorized by the Executive Board, subject to Section 12.

c. Qualifications to Serve on Executive Board. To serve on the Executive Board, as either a voting or non-voting Board Member, a person must be the appointing agency's Chief Executive Officer (e.g., for a Principal that is a city, the Mayor or City Manager, or equivalent), or their deputy or equivalent.

d. Conditions for Serving on Executive Board. All Executive Board Members and their alternates shall serve without compensation from the Alliance. However, the Alliance may pay for or reimburse Executive Board Members and alternates for reasonable out-of-pocket costs related to service on the Board.

e. Term of Office; Vacancies. Executive Board Members shall serve on the Executive Board for so long as they hold a position that qualifies them for the seat, unless the agency they represent elects to appoint another individual. Any vacancies shall be promptly filled by the appointing Principal.

i. Non-Voting Subscriber Representative(s) on Board. In the event the Board determines to add a Non-Voting Subscriber seat to the Board to represent more than one Subscriber, the Board shall determine the process to select and replace the Subscriber representative.

f. Alternates. Each Executive Board Member shall have a single alternate designated in writing. Alternates must be in a senior management position within their agency.

g. Quorum. A simple majority of the Board Members representing Principals (or their alternates) in number (excluding any Board Member which per Section 17 has given notice of withdrawal or which has been terminated by vote of the Executive Board) shall constitute a quorum of the Executive Board for purposes of taking action.

h. Voting. The Executive Board shall strive to operate by consensus. All Executive Board decisions on items not listed in Section 8.i shall require a Simple Majority Vote for approval. A Board Member may not split his or her vote on an issue. No voting by proxies or mail-in ballots is allowed. Voting by a designated Alternate is not considered a vote by proxy. A Board Member representing a Principal that has given notice of withdrawal or which has been terminated by vote of the Executive Board shall be authorized to cast votes at the Executive Board only on budget items to be implemented prior to the withdrawal or termination date

i. Items Requiring a Supermajority Vote for Approval:

i. Adoption or amendment of the Bylaws or amendment of the Articles of Incorporation.
ii. Admission of a new Principal.
iii. Creating a non-voting seat for a Subscriber or Subscribers on the Executive Board.
iv. Adding new Programs and Services.
v. Appointing or removing the Executive Director.
vi. Approving changes in the cost allocation consistent with Section 13.g to consider factors other than Population.
vii. Reinstatement of a Principal that had been converted to a Subscriber due to delinquency in making payments (See Section 13.i).
viii. Merger, consolidation, sale of all or substantially all assets of the Alliance (See Section 16).

ix. Amendment of the Agreement (except for those amendments requiring approval of all legislative bodies of the Principals per Section 18).

x. Termination or dissolution of the Alliance (See Section 19).

xi. Any other action actions requiring a Supermajority vote under Chapter 24.06 RCW.

j. Officers. The Executive Board shall have four officers, a Chair, Vice-Chair, Secretary and Treasurer. It will be the function of the Chair to preside at the meetings of the Executive Board. The Vice-Chair shall assume this role in absence of the Chair. At the first meeting of the Executive Board following the effective date of this Agreement, the officers shall be elected, and shall serve in this capacity through May 1, 2016, whereupon a new Chair and Vice-Chair shall be elected by the Executive Board. Biennially thereafter, the Executive Board shall elect a new Chair and Vice-Chair for two (2) year terms commencing each May 1. The Chair and Vice-Chair must be Board Members. In the event of a vacancy in the Chair position, the Vice-Chair shall assume the Chair for the balance of the term of the departed Chair. In the event of a vacancy in the Vice-Chair position, the Executive Board shall elect a new Vice-Chair to serve to the balance of the term of the departed Vice-Chair. An officer elected to fill the unexpired term of his or her predecessor shall not be precluded from serving one or more full annual terms of office following the end of such unexpired term. Any officer appointed by the Executive Board may be removed by vote of the Executive Board, with or without cause, in which event the Executive Board shall promptly elect a new officer who shall serve until the next regular officers' board term begins. The Executive Board may appoint persons other than Board Members of the Executive Board to serve as Secretary and Treasurer of the Alliance. The duties of all officers shall be further described in the Bylaws.

k. Staffing. The Executive Director shall assign agency staff to support the Executive Board as he or she deems appropriate.

l. Meetings. The Executive Board shall meet as often as it deems necessary and not less than once a year, at a time and place designated by the Chair of the Executive Board or by a majority of its Board Members. Not less than fourteen (14) days advance notice of regular meetings shall be given. Special meetings may be called by the Chair or any two (2) Board Members upon giving all other Board Members not less than ten (10) days prior notice. In an emergency, the Executive Board may dispense with written notice requirements for special meetings, but must, in good faith, implement best efforts to provide fair and reasonable notice to all Executive Board Members. Board Members (or alternates) may participate in meetings by telephone conference or equivalent means of voice communication. At all times the Executive Board shall comply with Ch. 42.30 RCW (Open Public Meetings Act).

m. Articles of Incorporation and Bylaws. Unless otherwise provided in the Articles and Bylaws or vote of the Executive Board, upon the request of any Board Member of the

Executive Board, Robert's Revised Rules of Order shall govern any proceeding of the Executive Board.

n. Consultation with Operations Board. It is the intent of this Agreement to seek the active participation and advice of Participants in the determination of Alliance policies and management. To the extent practicable, all items to come before the Executive Board shall have been previously subject to the review, comment and recommendation of the Operations Board and the Executive Board shall consider input from the Operations Board in its deliberations.

SECTION 9. OPERATIONS BOARD.

a. Role and Responsibilities. An Operations Board shall be established to provide advice and recommendations to the Executive Board. The Executive Board may determine to direct the Operations Board to perform specific responsibilities within parameters defined by the Executive Board. The Operations Board shall endeavor to promote interagency collaboration, cooperation and information sharing between Alliance Principals and Subscribers.

b. Membership. Membership of the Operations Board shall include one (1) Representative from each Principal, appointed by the Executive Board Member representing that Principal, plus such additional Subscriber Representatives as the Executive Board may determine. Each Principal shall appoint in writing a designated alternate to serve on the Operations Board in case of absence of the primary Representative.

c. Qualification to serve on Operations Board. Representatives and their alternates shall be staff from the Principal (or Subscriber) they represent, and have broad authority within their organization to coordinate internally and represent their agency on Operations Board matters. Persons serving on the Operations Board (or alternates) shall serve without compensation from the Alliance.

d. Officers, Voting, Meeting Rules. The officers, voting and meeting rules for the Operations Board shall be set forth in the Alliance Bylaws.

e. Staffing. The Operations Board shall be staffed by the Executive Director and such additional agency staffing as the Executive Director may deem appropriate.

SECTION 10. CONVERSION OF STATUS OF PRINCIPALS; ADDITION OF NEW PRINCIPALS OR SUBSCRIBERS.

a. Loss of Principal Status. As described in Sections 13.d and 13.i hereof, a Principal shall be converted to Subscriber for failure to approve its share of the budget or for

delinquency in payment of charges and fees. On the date of such conversion, said former Principal shall:

i. lose its representation on the Executive Board;
ii. lose its right to receive a share of the Alliance assets upon dissolution of the Alliance;
iii. become subject to payment of charges and fees in accordance with the then applicable payment formula for Subscribers; and
iv. be bound by the terms of the then current Subscriber service contract.

The conversion of a Principal to Subscriber shall not discharge or relieve any Principal of its obligations to the Alliance or any other Participant.

b. Election to Convert to Subscriber: A Principal may elect to convert to Subscriber status effective the first day of the next budget period by giving notice of its intent to the Governing Board not less than nine (9) months in advance of such effective date. Such conversion shall be effective as proposed without further action of the Executive Board, barring any basis for terminating the Principal and action thereon by the Executive Board.

c. New Principals: Subject to the terms of subsection (i) below, a municipal corporation otherwise meeting the qualifications of a Principal in Section 3.o hereof may be admitted to the Alliance upon Supermajority Vote of the Executive Board and its approval and execution of a document confirming same. Similarly, a Subscriber may apply to the Executive Board to be converted to Principal status. As a condition of becoming a Principal, whether by conversion or new admission, the Executive Board may require payment or other contributions or actions by the new Principal as the Executive Board may deem appropriate, and may set such start date for service as it deems appropriate, it being the intention that the addition of new Principals shall not cause then-existing Principals or Subscribers to incur additional costs.

i. If accurate data on the Population of an agency otherwise qualified to be a Principal is not readily available to the satisfaction of the Board, then such agency may not be admitted as a Principal until and unless this Agreement is amended in order to provide a mechanism for the calculation of: (1) the Weighted Vote of such agency; and (2) the calculation of the cost allocation as between the agency and other Principals per Section 13.g. Such amendments must be approved by the legislative authorities of each Principal as required by Section 18.

d. New Subscribers. The determination of whether to accept Subscribers shall be made by the Executive Board in a manner similar, and subject to such terms and conditions, as that for accepting new Principals, it being the intention that the addition of new Subscribers shall not cause then-existing Principals or Subscribers to incur additional costs.

SECTION 11. STAFFING AND PROGRAM COMMITTEES.

a. Generally. The Alliance shall be staffed in such manner as the Executive Board determines, including but not limited to the use of loaned employees from Principals, consultants or other service providers, purchase of services from Principals or others, or hiring staff, or any combination of the foregoing.

b. Program Committees. As may be directed by the Executive Board, Participants shall designate staff to participate in Program Committees tasked with assisting the Executive Director in the development and implementation of Program Work Plans. Program Work Plans shall be submitted for Executive Board consideration, and implemented consistent with the conditions of Executive Board action.

c. Program Work Plan Implementation Disputes. Program Committees shall submit any unresolved Program Work Plan implementation disputes to the Operations Board for its decision. If the Operations Board is unable or fails to resolve a dispute in a timely manner, it shall be forwarded to the Executive Board for resolution.

SECTION 12. ALLIANCE EXECUTIVE DIRECTOR.

a. Alliance Executive Director Appointment, Responsibilities and Authority. The Executive Board shall be responsible for the appointment and termination of an Executive Director of the Alliance. The Executive Director shall:

i. Be responsible and report to the Executive Board and advise it from time to time on budget and other appropriate matters in order to fully implement the purposes of this Agreement;
ii. Develop and submit to the Executive Board a proposed budget, after seeking input on same from the Operations Board;
iii. Consult with the Operations Board regarding Alliance operations, Programs and Services;
iv. Administer the Alliance in its day-to-day operations consistent with the policies adopted by the Executive Board; and
v. Appoint persons to fill other staff positions, subject to confirmation by the Executive Board as the Board may require.

b. Qualifications, Retention, and Termination. The Executive Director shall have experience in technical, financial and administrative fields and his or her appointment shall be on the basis of merit only. The Executive Director is an "at will" position and may be terminated from his or her position as Executive Director upon the Supermajority Vote of the Executive Board, without cause. The Executive Board shall consult with the Operations Board in the evaluation and selection of the Executive Director.

c. Legal Counsel, Accountants and Auditors. Only the Executive Board shall be authorized to hire or retain legal counsel and independent accountants and auditors. Other consultants may be designated in such manner as the Executive Board may determine subject to Sections 7 and 8.

d. Contracts and Support Services. Subject to such additional requirements as may be set forth in the Bylaws, the Executive Director with advice of the Operations Board shall as necessary contract with appropriate local governments or other third parties for staff, supplies and services.

e. Fiscal Agent and Administrative Services. The Executive Board may contract with a Participant or Participants to provide Fiscal Agent and financial management services for the Alliance, including but not limited to records, payroll, accounting, purchasing and data processing.

SECTION 13. BUDGET; COST ALLOCATION; PAYMENT OF CHARGES: DELINQUENCIES; RESERVE FUNDS.

a. Budget Fiscal Year. The budget fiscal year shall be either the calendar year, or two calendar years as the Executive Board may determine. The "budget period" corresponds to the fiscal year or years so determined by the Board.

b. Budget Approval. The Executive Director shall develop the proposed operating budget in consultation with the Operations Committee. The Executive Director and Executive Board shall use best efforts to meet the scheduled budget dates set forth in this Section but failure to meet such dates shall not constitute a breach of this Agreement.

i. The Executive Director shall present a proposed budget to the Executive Board by no later than **June 15** prior to the commencement of the budget period, together with the Operation Committee's recommendations with respect to the proposed budget.

ii. By no later than **July 31**, the Executive Board shall (1) review and revise the draft budget as it deems appropriate; (2) approve the draft budget (including proposed charges to Participants and any user fees); and (3) forward the same to Principals. The approved draft budget, and all proposed fees and charges shall be forwarded to Subscribers no later than **September 15**.

iii. The final budget shall be adopted by vote of the Executive Board effective no later than **December 31** prior to commencement of the budget period, after receiving information as to:

1. which Subscribers will be continuing to contract with the Alliance; and

2. which Principals have or will approve their shares of the Alliance budget, based on action or information from such Principals received by the Alliance no later than **December 1**.

iv. Vote Required to Approve Budget. A Simple Majority Vote of the Executive Board is required to approve the draft and final budget.

c. Payment of Charges. The Executive Board shall determine the timing of payments by Participants.

d. Failure of a Principal to Approve Budget Share. Failure of a Principal to approve its share of the budget before the commencement of the budget period shall result in the Principal being converted to Subscriber status effective as of the first day of the budget period for which it did not approve its budget share.

e. Notification of Final Adopted Budget. Promptly following final adoption of the budget by the Executive Board, the Executive Director shall provide notice to all Principals and Subscribers as to the terms of the final adopted budget, including their share of Alliance costs, charges and fees, and the payment schedule.

f. Budget Modifications. Modifications to the budget shall be approved by a Simple Majority Vote of the Executive Board as necessary from time to time to account for changes in expenditures and revenues.

g. Cost Allocation. The costs of funding the approved Alliance budget, net of all estimated revenue chargeable to Subscribers and all other revenues, shall be generally allocated between all Principals based on their relative Population as compared to all other Principals. Nothing in this Agreement shall be construed to prohibit the Executive Board from including factors in addition to Principal Population or making other equitable adjustments in the cost allocation formulas, so long as the primary basis for allocation as between Principals remains Population, and any adjustment in the cost allocation formulas must be approved by a Supermajority Vote.

h. Subscriber Charges and User Fees. The Alliance shall impose such reasonable Subscriber charges as the Executive Board may determine, and may also impose user fees on others for use of Alliance Programs and Services, in order to recoup costs of Alliance operations, reserves and any other Alliance costs.

i. Delinquencies. Alliance policies and practices with respect to providing notice of, and charging interest on, late payments owing to the Alliance from Principals and Subscribers shall be established by action of the Executive Board, subject to Section 10. If such fees and interest penalties (if any), are not paid in full within 60 days of the original due date, then the Principal delinquent in payment of fees shall upon such 60th day be deemed immediately converted to the status of a Subscriber and subject to penalty as described in Section 10 A Principal that has been converted to Subscriber status per the preceding sentence may appeal to the Executive Board to be reinstated as a Principal, and approval of any such appeal shall require Supermajority Vote of the Executive Board. In the event a Principal converted to Subscriber status by non-payment of fees shall not have paid in full all fees and interest owing by six (6) months after the original due date, then the Executive Board may terminate provision of the Alliance's services to that former Principal. After one (1) year, the nonpaying former Principal shall be deemed to have withdrawn from this Agreement, but the termination of services shall not absolve the former Principal of its obligation to pay all fees and charges past due, together with any interest charges owing per Board policy.

j. Reserve Funds. The Executive Board may establish and fund reserve funds to support operations or capital investments for the Alliance, at levels the Executive Board determines to be appropriate.

k. Use of Funds. Consistent with any use imposed on particular funds by statute, ordinance, Board resolution, contract, this Agreement or the Bylaws, the Alliance may use any available funds for any purpose authorized by this Agreement in connection with an authorized project.

SECTION 14. FISCAL AGENT; RETAINED AUTHORITY AND RESPONSIBILITY OF PARTICIPANTS.

a. Fiscal Agent. The Alliance may have a lead administering agency, designated by the Executive Board, to carry out administrative functions and act as the Fiscal Agent for the Alliance. The Fiscal Agent, if any, will have all power and authority necessary or appropriate to: (i) deposit, manage and expend monies from Alliance funds in furtherance of the purposes of this Agreement; and (ii) carry out the provisions of any applicable service level agreement ("SLA") between Fiscal Agent and the Alliance. The Fiscal Agent may cease serving as the Fiscal Agent upon six months written notice to the Executive Board or as otherwise provided in the SLA.

b. Retained Authority and Responsibilities. Notwithstanding subsection 14.a above, each Participant shall retain the responsibility and authority for its operational departments and for such equipment and services as are required at its place of operation to connect to Alliance online Programs and Services, including but not limited to each Participant's computer and data systems managing processes. Each Participant shall also retain the responsibility and authority for managing and maintaining the security and privacy of all data that the Participant links to Alliance online Programs and Services. Inter-connecting equipment and services will not be included in Alliance budget and operational program, except as the Executive Board may determine.

SECTION 15. OWNERSHIP OF PROPERTY.

a. Ownership of Property. The Alliance's existing interests in real, personal and intellectual properties (collectively, "Alliance properties") are hereby assigned and transferred to the newly reorganized Alliance. By approving and executing this Agreement, each Principal, assigns and transfers any and all interest in Alliance properties to the Alliance, which will own and manage the Alliance properties pursuant to this Agreement.

b. Loaned Property. Notwithstanding the foregoing Section, if any Participant provides equipment or furnishings for Alliance use, the title to the same shall rest with the respective Participant unless that equipment or furnishing is acquired by the Alliance.

c. Data. Each Participant shall retain ownership of its own data and property that may be used in connection with Alliance Programs and Services or other Alliance operations.

d. License Rights to Alliance Intellectual Property. Each Principal has a license to use the Alliance intellectual property, for so long as each Principal remains a Principal member of the Alliance in good standing. This license right shall survive termination of this Agreement, for any Principal that is a party in good standing to the Agreement as of the date of termination of the Alliance. No Principal may use licensed Alliance intellectual properties in a manner that competes with the Alliance. Subscribers shall have such license rights to use Alliance intellectual property as may be prescribed by separate agreement between the Alliance and a Subscriber.

e. Intellectual Property Developed at Request and Expense of Alliance. Any software code or other intellectual property developed, created, or improved at the request and expense of the Alliance, including without limitation work undertaken by city or other Principal or Subscriber agency staff pursuant to a contract with the Alliance, is the property of the Alliance.

f. Work Product/Confidentiality. All work product including records, data, information, development notes, discs, magnetic media, files, designs, sketches, finished or

unfinished documents or other documents, material or data created in performance of this Agreement is the property of the Alliance. All such work product shall be kept confidential by all the Principals and Subscribers and the Principal's and Subscriber's employees and agents and shall not be made available to any individual or organization by any Principal or Subscriber without the prior written consent of the Executive Board or unless required pursuant to court order, the Public Records Act or other applicable law.

SECTION 16. MERGER OR CONSOLIDATION, OR SALE OF ALL OR SUBSTANTIALLY ALL ASSETS.

Approval of the merger or consolidation of the Alliance with another entity, or the sale of all or substantially all assets of the Alliance, shall require a Supermajority Vote.

SECTION 17. WITHDRAWAL BY, OR TERMINATION OF, A PRINCIPAL.

a. Notice and Timing. Any Principal may withdraw its membership and terminate its participation in this Agreement by providing written notice to the Executive Board on or before December 31 in any year, and the Executive Board shall promptly inform all other Principals of such notice. That withdrawal shall become effective on the last day of the next calendar year.

b. Rights of departing Principal. Departing Principals shall have rights to copies of all data held by the Alliance relating specifically to the Principal. Any Principal withdrawing from the Alliance forfeits its interests in any of the property or intellectual property owned by the Alliance and any future revenues associated with Alliance products and/or services.

c. The termination and/or withdrawal of a Principal shall not discharge or relieve any Principal of its obligations to the Alliance or other Participants incurred prior to the effective date of the Principal's withdrawal. In particular but without limitation, a Principal converted to Subscriber status due to delinquency per Section 13.i. shall be obligated to pay its full allocation of the approved Alliance budget for the budget year in which the Principal was delinquent.

SECTION 18. AMENDMENT OF AGREEMENT.

This Agreement may be amended upon approval of a Supermajority Vote of the Executive Board except that any amendment affecting the following shall require consent of the legislative authorities of all Principals:

a. Expansion of the scope of services provided by the Alliance beyond the scope of expansion authorized in Section 6.d;
b. The terms and conditions of membership on the Executive Board;
c. Voting rights of Executive Board Members;
d. Powers of the Executive Board;

e. Principal contribution responsibilities inconsistent with Section 13.g;
f. Hold harmless and indemnification requirements;
g. Provisions regarding duration, termination or withdrawal; and
h. The conditions of this Section.

This Section shall not be construed to require legislative authority consent for the addition of a new Principal or agreement to serve an additional Subscriber, or to expand or contract the services purchased by any Principal or Subscriber or offered by the Alliance as authorized in Section 6.d.

SECTION 19. TERMINATION OF AGREEMENT; DISSOLUTION OF ALLIANCE.

a. Generally. This Agreement may be terminated upon the approval of a Supermajority Vote of the Executive Board. The termination shall be by direction of the Executive Board to wind up business by a date specified by the Executive Board, which date shall be at least one (1) year following the date of the vote to terminate. Upon the final termination date, this Agreement shall be fully terminated.

b. Distribution of Property on Termination of Agreement. Upon termination of this Agreement, all property acquired during the life of the Agreement remaining in ownership of the Alliance shall be disposed of in the following manner:

i. Real or Personal Property. All real or personal property purchased pursuant to this Agreement and all unexpended funds or reserve funds, net of all outstanding Alliance liabilities, shall be distributed to those Principals still participating in the Alliance on the day prior to the termination date and shall be apportioned between Principals based on the ratio that the average of each Principal's contributions to the operating budget over the preceding five (5) years bears to the total of all then remaining Principals' operating budget contributions paid during such five-year period. The Executive Board shall have the discretion to allocate the real or personal property and funds as it deems appropriate, and the apportionment, determined consistent with the preceding sentence, need not be exact.

ii. Intellectual Property Rights. Principals and Subscribers shall retain the right after termination of the Alliance to their respective specific data then held by the Alliance or its vendors. Upon termination of the Alliance, each Principal will be provided a then-current version of software and data templates (absent any confidential data) for any and all Alliance Programs or Services so that each Principal may continue its non-exclusive use of such Program or Service. Any use or sale of such software or data templates by any Principal after termination of the Alliance shall not limit or otherwise

impact the rights of other Principals without their express consent. Notwithstanding the foregoing, the Executive Board may determine to sell intellectual property owned by the Alliance upon termination, in which case each Principal shall receive a share of the proceeds of sale consistent with the allocation described in subsection "i" above. Any such sale will not limit or otherwise impact the Principals' rights to use the software and data templates provided after termination of the Alliance. The terms of this subsection shall survive expiration or termination of the Agreement.

iii. Loaned Property. In the event of dissolution or termination of the Alliance, assigned or loaned assets shall be returned to the lending entity.

iv. Allocation of Liabilities. In the event outstanding liabilities of the Alliance exceed the value of personal and real property and funds on hand, all Principals shall contribute to retirement of those liabilities in the same manner as which they would share in the distribution of properties and funds per subsection "i" above.

c. Notwithstanding the foregoing, the Agreement may not be terminated if to do so would abrogate or otherwise impair any outstanding obligations of the Alliance, unless provision is made for those obligations.

SECTION 20. DISPUTE RESOLUTION.

a. Whenever any dispute arises between a Principal or the Principals or between the Principals and the Alliance (referred to collectively in this Section as the "parties") under this Agreement which is not resolved by routine meetings or communications, the parties agree to seek resolution of such dispute by the process described in this Section, which shall also be binding on Subscribers entering into new or amended contracts for service with the Alliance after the effective date of this Agreement. The terms of this provision shall not apply to disputes arising in connection with the implementation of Program Work Plans.

b. The parties shall seek in good faith to resolve any such dispute or concern by meeting, as soon as feasible. The meeting shall include the Chair of the Executive Board, the Executive Director, and a representative(s) of the Principal(s), if a Principal(s) is involved in the dispute, and/or a person designated by the Subscriber(s), if a Subscriber(s) is involved in the dispute.

c. If the parties do not come to an agreement on the dispute or concern, any party may request mediation through a process to be mutually agreed to in good faith between the parties within 30 days. The mediator(s) shall be mutually agreed upon and shall be skilled in

the legal and business aspects of the subject matter of this Agreement. The parties shall share equally the costs of mediation and assume their own costs.

SECTION 21. INSURANCE.

The Executive Board, Executive Director, and Operations Board shall take such steps as are reasonably practicable to minimize the liability of the Participants, including but not limited to the utilization of sound business practice. The Executive Board shall determine which, if any, insurance policies may be reasonably practicably acquired to cover the operations of the Alliance and the activities of the parties pursuant to this Agreement (which may include Directors and Officers, Commercial General Liability, Auto, Workers' Compensation, Stop Gap/ Employer's Liability, errors and omissions, crime/ fidelity insurance, CyberRisk), and shall direct the acquisition of same.

SECTION 22. INDEMNIFICATION AND HOLD HARMLESS.

a. Provisions regarding the "Fiscal Agent" in this section shall apply when a Principal is acting as Fiscal Agent. In the event the Fiscal Agent appointed by the Executive Board is not a Principal or government agency, the agreement between the Alliance and the Fiscal Agent shall establish the applicable indemnification and hold harmless provisions.

b. Each Principal shall indemnify and hold other Principals, their officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees and costs ("Damages"), arising out of that Principal's acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries or damages are caused by another Principal.

c. Each Principal shall indemnify and hold the Alliance and its officers, officials, employees and volunteers harmless from any and all Damages arising out of that Principal's acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries and damages are caused by the Alliance.

d. As provided in its Articles of Incorporation, the Alliance shall indemnify and hold each Principal its officers, officials, employees and volunteers harmless from any and all Damages arising out of the Alliance's acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries and damages are caused by any Principal.

e. Subscribers entering into new or amended service contracts with the Alliance after the effective date of this Agreement shall be required to agree to indemnify and hold each Principal and the Alliance and the Fiscal Agent, their officers, officials, employees and

volunteers harmless from any and all Damages arising out of the Subscriber's acts or omissions in connection with its use of the Alliance Programs and Services.

f. Further, the Alliance and each Principal shall indemnify, and hold the Fiscal Agent harmless from any and all Damages arising out of that Principal's or the Alliance's acts or omissions in connection with the performance of their respective obligations under this Agreement, except to the extent the injuries and damages are caused by the Fiscal Agent.

g. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of a party hereto and the Alliance, its officers, officials, employees, and volunteers, the party's liability hereunder shall be only to the extent of the party's negligence. It is further specifically and expressly understood that the indemnification provided in this Section constitutes each party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

h. Each party shall give the other parties proper notice as provided in Section 24, of any claim or suit coming within the purview of these indemnities. Termination of this Agreement, a Principal's withdrawal from the Alliance, or a Principal's conversion to Subscriber status (collectively for purposes of this subparagraph "Termination"), shall not affect the continuing obligations of each of the parties as indemnitors hereunder with respect to those indemnities and which shall have occurred prior to such Termination.

SECTION 23. INTERGOVERNMENTAL COOPERATION.

The Alliance shall cooperate with local, state and federal governmental agencies in order to maximize the utilization of any grant funds for equipment and operations and to enhance the effectiveness of the Alliance's operations and minimize costs of service delivery.

SECTION 24. NOTICE.

Notices required to be given to the Alliance under the terms of this Agreement shall be directed to the following unless all Principals are otherwise notified in writing:

Chair, Alliance Executive Board
c/o his/her Principal agency's address

Notices to Principals or Subscribers, Board Members or Representatives required hereunder may be given by mail, overnight delivery, facsimile or email (with confirmation of transmission),

telegram, or personal delivery. Each Principal shall provide the Chair of the Alliance Executive Board written notice of the address for providing notice to said Principal. Any Principal wishing to change its mail or email address shall promptly notify the Chair of the Executive Board. Notice or other written communication shall be deemed to be delivered at the time when the same is postmarked in the mail or overnight delivery services, sent by facsimile or email (with confirmation of transmission), sent by telegram, or received by personal delivery.

SECTION 25. VENUE.

The venue for any action related to this Agreement shall be in the Superior Court in and for King County, Washington at Seattle, or if applicable, in Federal District Court, Western District of Washington.

SECTION 26. FILING.

As provided by RCW 39.34.040, this Agreement shall be filed prior to its entry in force with the King County Department of Executive Services Division of Records and Licensing Services, or its successor, Records and Elections, or, alternatively, listed by subject on a Principal's web site or other electronically retrievable public source.

SECTION 27. NO THIRD PARTY BENEFICIARIES.

There are no third-party beneficiaries to this Agreement. No person or entity other than a party to this Agreement shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Agreement.

SECTION 28. SEVERABILITY.

The invalidity or any clause, sentence, paragraph, subdivision, section or portion of this agreement shall not affect the validity of the remainder of the Agreement.

SECTION 29. RATIFICATION.

All prior acts taken by the Principals and the Alliance consistent with this Agreement are hereby ratified and confirmed.

SECTION 30. EXECUTION, COUNTERPARTS AND EFFECTIVE DATE.

This Agreement and any amendments thereto, shall be executed on behalf of each Principal by its duly authorized representative and pursuant to an appropriate motion, resolution or ordinance. This Agreement may be executed in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument. This Agreement shall be deemed adopted and effective as of March 1, 2014, subject to: (1) approval by the legislative bodies of Principals representing not less than 88% of the Weighted Votes of the Executive Board as of January 1, 2014; (2) withdrawal from the Original Agreement prior to March 1, 2014, by any city party to the Original Agreement declining to approve this Agreement, and (3) prior filing of the Agreement as required by Section 26.

IN WITNESS WHEREOF, this Agreement has been executed by each party on the dates set forth below.

CITY OF BELLEVUE

City Manager
Date: 2-7-14

Approved as to form
asst City Attorney

CITY OF BOTHELL

City Manager
Date: _____

Approved as to form
City Attorney

CITY OF ISSAQUAH

Mayor
Date: _____

Approved as to form
City Attorney

CITY OF KENMORE

City Manager
Date: _____

Approved as to form
City Attorney

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CITY OF BELLEVUE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF BOTHELL

_____
City Manager
Date: 2-25-14

Approved as to form
City Attorney

_____

CITY OF ISSAQUAH

_____
Mayor
Date: _____

Approved as to form
City Attorney

_____

CITY OF KENMORE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

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CITY OF BELLEVUE

_____
City Manager
Date:_____

Approved as to form
City Attorney

_____

CITY OF BOTHELL

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF ISSAQUAH

_____
Mayor
Date: 2/21/14

Approved as to form
City Attorney

Wayne Tanaka/hlm

CITY OF KENMORE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

SECTION 30. EXECUTION, COUNTERPARTS AND EFFECTIVE DATE.

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IN WITNESS WHEREOF, this Agreement has been executed by each party on the dates set forth below.

CITY OF BELLEVUE

_____
City Manager
Date:_____

Approved as to form
City Attorney

_____

CITY OF BOTHELL

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF ISSAQUAH

_____
Mayor
Date: _____

Approved as to form
City Attorney

_____

CITY OF KENMORE

RJK
Rob Karlinsey, City Manager
Date: 2/14/14

Approved as to form
City Attorney

_____

CITY OF KIRKLAND

Kurt Triplett
City Manager
Date: 2/21/14

Approved as to form
City Attorney

CITY OF MERCER ISLAND

City Manager
Date: _____

Approved as to form
City Attorney

CITY OF SAMMAMISH

City Manager
Date: _____

Approved as to form
City Attorney

CITY OF SNOQUALMIE

Mayor
Date: _____

Approved as to form
City Attorney

CITY OF WOODINVILLE

City Manager
Date: _____

Approved as to form
City Attorney

CITY OF KIRKLAND

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF MERCER ISLAND

_____
City Manager
Date: 2/25/14

Approved as to form
City Attorney

_____

CITY OF SAMMAMISH

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF SNOQUALMIE

_____
Mayor
Date: _____

Approved as to form
City Attorney

_____

CITY OF WOODINVILLE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF KIRKLAND

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF MERCER ISLAND

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF SAMMAMISH

_____
City Manager
Date: 2/5/2014

Approved as to form
City Attorney

_____

CITY OF SNOQUALMIE

_____
Mayor
Date: _____

Approved as to form
City Attorney

_____

CITY OF WOODINVILLE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF KIRKLAND

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF MERCER ISLAND

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF SAMMAMISH

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

CITY OF SNOQUALMIE

_____
Mayor
Date: February 27, 2014

Approved as to form
City Attorney

_____

CITY OF WOODINVILLE

_____
City Manager
Date: _____

Approved as to form
City Attorney

_____

Exhibit A
Current Scope of Alliance Programs and Services

As of the date of this Agreement, the Alliance offers the following Programs and Services for subscription by Principals and Subscribers:

MyBuildingPermit.com: Provides one-stop online development service applications, inspection scheduling, permit status information, and tip sheets for government agencies in the Puget Sound region. Services include online over-the-counter and plan review applications including building, clearing & grading, electrical, fire, land use, mechanical, plumbing, right-of-way, sign, utilities; construction tip sheets & checklists; online permit status & history; and online inspection scheduling.

MyParksandRecreation.com: A single online location for searching the region for parks, trails and facilities provided by participating City Principals and Subscribers. Includes search capabilities for parks, trails and facilities; find recreation classes and activities; online registration; and contact and sign-up information.

NWMaps.net: Gives access to map-based information quickly and visually. Provides information about where users live, might open a business, or spend leisure/recreational time. Includes interactive mapping tool; property and community information; public facilities, schools, parks, trails; and community demographic and zoning information.

NWProperty.net: Provides a comprehensive listing of commercial property for sale and lease, demographic reports, and public data. Includes the ability to find available commercial property; interactive mapping tool; business demographics; city-wide demographics; and property data and more.

SharedProcurementPortal.com: A regional website that consolidates procurement services, making it easy for government and businesses to work together. The shared procurement portal offers features including: business opportunities from the Alliance members posted to a consolidated board where vendors can view and respond; automatic email or fax notifications of the business opportunities by categories/commodities; ability to electronically submit bids or proposals to member agencies; vendor registration with multiple users, contacts, attachments, and applications; and the ability to receive award results/postings electronically.

GovJobsToday.com: Allows job-seekers to view and apply for public sector jobs, in the Puget Sound region, at one convenient location. Includes online job applications; regional government job listings; online review and screening; secure, on-line application status, and compensation and classification data.